

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	:	Chapter 11
	:	
QUORUM HEALTH CORPORATION,	:	Bankruptcy Case No. 20-10766 (BLS)
	:	BAP 21-00014
	:	
Debtor.	:	
	:	
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RAJEEV VARMA, M.D.,	:	
	:	
Appellant,	:	
	:	
v.	:	C.A. No. 21-436-LPS
	:	
QUORUM HEALTH CORPORATION,	:	
	:	
Appellee.	:	

**RECOMMENDATION**

At Wilmington this **6th** day of **May, 2021**.

WHEREAS, pursuant to paragraph 2(a) of the Procedures to Govern Mediation of Appeals from the United States Bankruptcy Court for this District dated September 11, 2012, Chief Magistrate Judge Mary Pat Thyng reviewed the entries on this Court's docket regarding an appeal of the Order entered by Judge Brendan L. Shannon of the United States Bankruptcy Court of the District of Delaware on March 10, 2021. See D.I. 1-1 filed on March 25, 2021. These motions were submitted in connection with the Bankruptcy Court's January 6, 2021 Order issued by Judge Karen Owens (the Motions for Continuation of the Automatic Stay and the Motion to Confirm

Termination of Absence of the Stay involved in the appeal in this Court at 21-360-LPS). Judge Owens held that pursuant to 11 U.S.C. §§ 362 (c) and 362(j) that the automatic stay is in effect for Quorum Health Corporation.

Therefore, Judge Shannon's Order addressed Appellant's Motion for Reconsideration and a Motion for Stay Pending Appeal. Therein, he found that "[f]ailure to stay a comfort order such as the January 6 Order cannot cause 'irreparable harm'— or any harm at all. Dr. Varma's request for stay of this Order pending appeal will be denied."<sup>1</sup>

The Notice of Appeal in this Court (D.I. 1) was filed on March 25, 2021. No Designation of the Record has been filed. A Notice of Docketing the Bankruptcy Appeal at D.I. 2 was entered on March 25, 2021. Thereafter, this appeal was assigned to Judge Leonard P. Stark of this Court. On April 1, 2021, Judge Stark at D.I. 3 ordered Appellant to submit the IFP long form application (AO form 239) to the United States District Court or pay the \$298.00 filing fee to the United States Bankruptcy Court for the District of Delaware. The Order also warned that failure to submit the items within thirty (30) days would result in dismissal of this appeal without prejudice. The Notice of Compliance deadline was set for May 3, 2021. On April 28, 2021 a Remark was entered on this Court's docket advising that the filing fee was paid on March 29, 2021.

WHEREAS, as a result of the above screening process, the Order

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<sup>1</sup> In fn. 6, Judge Shannon notes that Dr. Varma failed to demonstrate that he is likely to succeed on the merits of his appeal for "at a minimum the reasons given above. The January Order embodies determinations by the Court predicated upon review of the docket, nothing more. Similarly, the balancing of the harms and the public interest do not figure heavily in this unusual Motion, but nothing on the record supports entry of the stay pending appeal that Dr. Varma seeks." See D.I. 1-1).

addresses issues that are not amenable to mediation and mediation at this stage would not be a productive exercise, a worthwhile use of judicial resources nor warrant the expense of the process. The appealed Order addresses primarily legal issues, which are not conducive to resolution through mediation.

THEREFORE, IT IS RECOMMENDED that, pursuant to paragraph 2(a) Procedures to Govern Mediation of Appeals from the United States Bankruptcy Court for this District and 28 U.S.C. § 636(b), this matter be withdrawn from the mandatory referral for mediation and proceed through the appellate process of this Court. The parties are advised they may file objections to this Recommendation pursuant to 28 U.S.C. § 636(b)(1)(B), FED. R. CIV. P. 72(a) and D. DEL. LR 72.1.

/s/ Mary Pat Thyng  
Chief U.S. Magistrate Judge Mary Pat Thyng